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January 3, 2011

**FEDERAL EXPRESS** 

Jocelyn Boyd Chief Clerk and Administrator Public Service Commission 101 Executive Center Drive, Suite 100 Columbia, SC 29210

Re: Kiawah Island Utility, Inc. Purchased Water Adjustment Review Request

Our File No.: 5435.002

Dear Ms. Boyd:

C. PUBLIC SERVICE COMMISSION

This letter supplements my earlier letter request of December 10, 2010. Kiawah Island Utility (KIU) just learned in a letter dated December 22, 2010, that St. Johns Walter Company (SJWC) was revising its new wholesale potable water cost to KIU from \$2.40 to \$2.393 per thousand gallons. As a result, KIU is hereby amending its earlier request to ask that the increase be \$.05, rather than \$.06, per thousand gallons.

I have enclosed the materials supporting this amendment to our earlier request, including the recent letter from SJWC and the new requested rates that have been revised.

We hope that this last minute information and adjustment does not slow down the approval process.

If there are any questions, please let me know. With kind regards, I am,

Sincerely,

PRATT-THOMAS WALKER, P.A.

Trembler Waller Lujden

G. Trenholm Walker

Jocelyn Boyd

RE: KIU Water Rate Increase

January 3, 2011

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## GTW\njdm

Enclosures (As noted)

c: F. David Butler, Esq.

C. Dukes Scott, Esq. Florence P. Belser, Esq.

**Becky Dennis** 

Townsend Clarkson Leonard L. Long, Jr.



December 31, 2010

G. Trenholm Walker Pratt-Thomas Epting & Walker 16 Charlotte Street Charleston, SC 29403

Dear Mr. Walker:

Kiawah Island Utility, Inc. (KIU) received a letter from the St. Johns Water Company (SJWC) on December 28, 2010 informing us that an error was discovered in the meter fee billed by the Charleston Water System. This error is resulting in a slight decrease in the per thousand gallon charge as previously submitted to the PSC for consideration of a pass through increase.

I have made the Office of Regulatory Services aware of the error and need to amend our request. This matter is currently scheduled to be heard by the PSC on January 5, 2011 therefore it is important that this new information reach them by Tuesday, January 4<sup>th</sup>.

As stated previously, the current rate for purchased water is \$2.347. The new rate of \$2.393 is an increase of \$0.046 per thousand gallons, not \$.053 as previously requested. This change will be reflected on the December 2010 statement.

It is our intent to pass along the increase of \$0.05/thousand gallons to each consumption tier in each class of potable water customer. This will not take place until the PSC approves our request and our customers are given a 30-day advance notice of the increase.

I have attached a copy of the letter from SJWC and a revised schedule comparing the existing rate to the new rate resulting from this increase. If you require any additional information to prepare the packet for the Public Service Commission please do not hesitate to contact me either by phone at (843) 768-0641 or email.

Sincerely,

Becky J. Dennis General Manager

CC: Townsend Clarkson Steve Heyboer

Becky James

ST. JOHN'S WATER COMPANY, INC. Post Office Box 629 John's Island, South Carolina 29457-0629 Phone (843) 559-0186 Fax (843) 559-0371

Board Members
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Thomas Legare, Jr., Vice Chair
Albert Thompson, Jr., Sec/Treas
Samuel D. Brownlee
Ronald Coleman
Becky J. Dennis
Cindy M. Floyd
Joseph W. Hait
Robert M. Lee

December 22, 2010

Ms. Becky Dennis Kiawah Island Utilities 31 Sora Rail Road Johns Island, SC 29455

Re 2010-2011 Rate Increase

Dear Becky;

During a review of charges to St. Johns Water Company from Charleston Water Systems it was discovered that they had been over charging for meters attached to the sources of water. They have granted a credit for that over charging and we in turn have recalculated charges to your organization for the same period of time.

This recalculation resulted in a credit of \$23,126.00, which will appear on your December water bill.

The recalculation will also change the per thousand gallon charge going forward. The previous price was \$2.40 and now will be \$2.393 per thousand gallons.

If you have any questions, please feel free to call.

Ava Robichaux General Manager

## Kiawah Island Utility, Inc.

|  | Consumption Rates |      |
|--|-------------------|------|
| Rate Schedule # 1 - Residential            | Old               | New  |
| Tier #1 (up to 11,000)                     | 2.55              | 2.60 |
| Tier #2 (11,000 - 50,000)                  | 2.93              | 2.98 |
| Tier #3 (all over 50,000)                  | 3.16              | 3.21 |
|  |                   |      |
| Rate Schedule # 2 - Commercial             | Old               | New  |
| All water consumption                      | 3.16              | 3.21 |
|  |                   |      |
| Rate Schedule # 3 - Hotel                  | Old               | New  |
| All water consumption                      | 3.16              | 3.21 |
|  |                   |      |
| Rate Schedule # 4 - Irrigation             | Old               | New  |
| Tier #1 (All up to 50,000)                 | 2.93              | 2.98 |
| Tier #2 (All over 50,000)                  | 3.16              | 3.21 |
|  |                   |      |
| Rate Schedule # 5 - Fire Hydrant Service   | Old               | New  |
| Temporary use by contractor                | 3.33              | 3.38 |
|  | <b></b>           | ,    |
| Rate Schedule # 6 - Golf Course Irrigation | Old               | New  |
| Effluent water                             | 0.17              | 0.17 |
| Deep Well water                            | 0.20              | 0.20 |
| Potable water                              | 3.16              | 3.21 |
|  |                   |      |
| Rate Schedule #7 - Fire Line Service       | Old               | New  |
| No consumption charge in the schedule      | N/A               | N/A  |